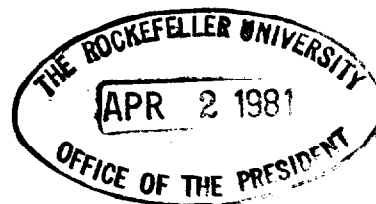


NCI



Harper-Grace Hospitals
Harper Hospital Division

March 30, 1981



Dr. Joshua Lederberg
President
Rockefeller University
1230 York Avenue
New York, NY 10021

Dear Dr. Lederberg:

Dr. Katterhagen has recently written with regard to the need, benefits, and opportunity for clinical investigations of cancer treatment in community hospitals. Such a program is necessary and likely to result in considerable improvement in results.

I enclose for your interest a copy of a letter I sent to Dr. Katterhagen suggesting that in addition to the clinical trials which are important and necessary; we need know full information about the costs of cancer care and the results of cancer care in the United States. For example, an excellent study performed by Drs. Dorothy Rice and Tom Hodgson in 1978 indicates the sum of money spent in 1975 for direct cost of cancer care was about \$6 billion. On careful examination of this study the costs cited include only the direct costs paid by patients who have diagnosed cancer and are in the hospital for treatment of cancer and an estimation of out-patient care costs. Thus, they do not include costs of care of the patient who is hospitalized for pneumonia but has a work-up for the possibility of lung cancer, nor the cost of screening and detection programs seeking out early cancer. Further, the study quite likely underestimates the cost of current expensive out-patient care of patients receiving radiation therapy or chemotherapy. A further notable lack in the tabulation of costs is nearly \$1 billion per year spent for research and development by the National Cancer Institute and others.

As long as the public at large as well as our legislators and executives in government believe that the direct cost of cancer care is \$6 billion per year, they will also believe that \$1 billion per year is adequate funding for the National Cancer Program. If alternatively the true cost of cancer care is demonstrated to be on the order of \$15 - \$20 billion per year, (my personal estimate) the expenditure of \$1 billion per year for research and development by the NCI will be recognized as inadequate.

I am in agreement with Dr. Katterhagen that we must deliver good care to patients in all segments of our population and support efforts to improve care and knowledge in community hospitals. Further, we must accumulate complete knowledge and information about the cost and results of our care and our research. Working together we can assist the Director of the National Cancer Institute in developing this information program.

Sincerely,

William E. Powers, M.D.
Chairman, Dept. of Radiation Oncology